

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p style="text-align: center;">as representative of</p> <p>THE COMMONWEALTH OF PUERTO RICO, et al.,</p> <p style="text-align: right;">Debtors.</p>	<p>PROMESA</p> <p>Title III</p> <p>No. 17-bk-3283-LTS</p> <p>(Jointly Administered)</p>
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**SUMMARY SHEET**

**NINTH INTERIM APPLICATION OF PFM GROUP CONSULTING  
LLC, CONSULTANT TO PROSKAUER ROSE LLP, AS COUNSEL  
TO THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD  
FOR PUERTO RICO, FOR ALLOWANCE OF COMPENSATION AND  
REIMBURSEMENT OF EXPENSES,  
FOR THE PERIOD FEBRUARY 1, 2020-MAY 31, 2020**

Applicant:	PFM Group Consulting LLC
Authorized to provide services to:	The Financial Oversight and Management Board for Puerto Rico
Effective date of retention:	June 3, 2019
Compensation period:	February 1, 2020 –May 31, 2020
Compensation sought:	\$26,825.00
Expense reimbursement sought:	\$0.00
Total sought:	\$26,825.00
This is a: <input type="checkbox"/> monthly <input checked="" type="checkbox"/> interim <input type="checkbox"/> final application	

**SUMMARY OF TIME RECORDED IN COMPENSATION PERIOD**

<b>Name</b>	<b>Title</b>	<b>Hours Recorded</b>	<b>Total Fees</b>
Michael Nadol	Managing Director	53.00	\$25,175.00
Shua-Kym McLean	Analyst	6.00	\$1,650.00

**PRIOR INTERIM FEE APPLICATIONS**

<b>Period Covered</b>	<b>Date Filed</b>	<b>Fees Requested</b>	<b>Expenses Requested</b>	<b>Order Entered</b>	<b>Fees Allowed</b>	<b>Expenses Allowed</b>
June 3 - August 31, 2019	11/15/2019	\$244,842.50	\$0.00	11/15/2019	N/A	
Sept. -Nov. 2019	03/16/2020	\$44,793.75	\$0.00	03/16/2020	N/A	

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In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**NINTH INTERIM APPLICATION OF PFM GROUP CONSULTING  
LLC, CONSULTANT TO PROSKAUER ROSE LLP, AS COUNSEL  
TO THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD  
FOR PUERTO RICO, FOR ALLOWANCE OF COMPENSATION AND  
REIMBURSEMENT OF EXPENSES,  
FOR THE PERIOD FEBRUARY 1, 2020-MAY 31, 2020**

PFM Group Consulting LLC, consultant to Proskauer Rose LLP, as counsel to the Financial Oversight and Management Board for Puerto Rico (“Oversight Board”), as representative of the Debtors pursuant to PROMESA section 315(b), submits its ninth interim application for allowance of compensation for services rendered from February 1, 2020 – May 31, 2020 (“Compensation Period”) in the amount of \$26,825.00, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1, and respectfully states:

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (“Commonwealth”) (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

### **JURISDICTION**

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

### **BACKGROUND**

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017;<sup>2</sup> HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. Proskauer Rose LLP (“Proskauer”) has been retained by the Financial Oversight and Management Board for Puerto Rico (the “Board”) created by the Puerto Rico Oversight, Management, and Economic Stability Act, 48 U.S.C. chapter 20 (“PROMESA”) as counsel in connection with matters relating to and arising out of implementation of the provisions of PROMESA. PFM Group Consulting has been engaged by Proskauer to provide consulting services assisting Proskauer in its representation of the Financial Management Board of Puerto Rico in these Title III cases by agreement, dated as of June 3, 2019. Under this agreement, PFM Group Consulting is entitled to compensation based on the hourly rates for each role noted below:

Managing Director: \$475

Director: \$395

Senior Managing Consultant: \$350

Senior Analyst/Analyst: \$275

4. As set forth in the agreement, PFM Group Consulting LLC was engaged as a Contractor to Proskauer to perform a range of services relating to the adversary proceedings relating to the Board in connection with the Board’s work surrounding the Commonwealth of Puerto Rico or its instrumentalities (the “Services”). The Services may include, but may not be

limited to, consulting services, litigation support at the direction of outside testifying experts, and the provision of expert testimony by PFM Group Consulting LLC.

5. For more than 25 years, PFM has provided financial and budget analysis, as well as collective bargaining and interest arbitration support to governments throughout the country. PFM Group Consulting has a seasoned team of professionals with experience in both traditional and interest-based collective bargaining environments, as well as an established track record in delivering a workforce and budget advisory services.

6. Michael Nadol, managing director at PFM and president of PFM Group Consulting LLC, holds a Master of Public Administration degree from the University of Pennsylvania's Fels Institute of Government and a B.A. in Political Science from Yale University, *Summa Cum Laude*. He has also taught on the adjunct faculty of the University of Pennsylvania's Master of Public Administration program, and served as an appointed adviser to the Government Finance Officers Association (GFOA) Committee on Governmental Budgeting and Fiscal Policy.

#### **BASIS FOR RELIEF REQUESTED**

7. PROMESA section 316(a) provides that this Court “may award to a professional person employed by ... the Oversight Board (in the Oversight Board's sole discretion) ... (1) reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person; and (2) reimbursement for actual, necessary expenses.”

8. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

(1) the time spent on such services;

(2) the rates charged for such services;

(3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;

(4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

9. PROMESA section 317 and the interim compensation order [ECF No. 3269] permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

10. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent on services rendered. PFM Group Consulting LLC team members spent 59.00 hours working on Title III matters during the Compensation Period. Time detail is annexed hereto as Exhibit 1.

(b) Rates charged. As set forth in the Nadol Certification (defined below),

the compensation sought is billed at rates no less favorable than those customarily employed by PFM Group Consulting LLC for similar services.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered.

Proskauer, counsel to the Oversight Board, engaged PFM Group Consulting LLC to provide these services.

(d) Timeliness of services rendered. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, in addition to holding a Masters in Public Administration, Mr. Nadol has decades of experience advising state and local governments on financial recovery and collective bargaining, and the analytical expertise sought by the Oversight Board and necessary to the success of these cases.

11. The certification required by Local Rule 2016-1(a)(4) and Rule 2016 is annexed hereto as Exhibit 2 ("Nadol Certification").

WHEREFORE, PFM Group Consulting LLC requests an order allowing interim compensation for services rendered during the Compensation Period in the amount of \$26,825.00, and granting such other and further relief as this Court deems just and proper.

Dated: July 15, 2020.

Respectfully submitted,



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Michael Nadol

*Consultant to Proskauer Rose LLP, as  
counsel to the Financial Oversight and  
Management Board for Puerto Rico*

**EXHIBIT 1**

**Time Detail**



INVOICE NUMBER	MATTER NAME	DATE	TIMEKEEPER NAME	POSITION/TITLE	HOURLY RATE	HOURS	FEES	TASK DESCRIPTION
Customer Invoice: 109399	Promesa Title III	20200203	Michael Nadol	Managing Director	\$ 475.00	1.5	\$ 712.50	research and analysis
Customer Invoice: 109399	Promesa Title III	20200204	Michael Nadol	Managing Director	\$ 475.00	2	\$ 950.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200205	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200206	Michael Nadol	Managing Director	\$ 475.00	2	\$ 950.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200209	Michael Nadol	Managing Director	\$ 475.00	4	\$ 1,900.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200210	Michael Nadol	Managing Director	\$ 475.00	4	\$ 1,900.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200211	Michael Nadol	Managing Director	\$ 475.00	2	\$ 950.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200212	Michael Nadol	Managing Director	\$ 475.00	3	\$ 1,425.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200213	Michael Nadol	Managing Director	\$ 475.00	3	\$ 1,425.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200223	Michael Nadol	Managing Director	\$ 475.00	0.5	\$ 237.50	analysis
Customer Invoice: 109399	Promesa Title III	20200225	Michael Nadol	Managing Director	\$ 475.00	2.5	\$ 1,187.50	analysis and review
Customer Invoice: 109399	Promesa Title III	20200227	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200228	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	research and analysis
Customer Invoice: 109399	Promesa Title III	20200210	Shua-Kym McLean	Analyst	\$ 275.00	2	\$ 550.00	Check In and preliminary workforce analysis
Customer Invoice: 109399	Promesa Title III	20200211	Shua-Kym McLean	Analyst	\$ 275.00	4	\$ 1,100.00	UTIER workforce analysis
Customer Invoice: 109400	Promesa Title III	20200302	Michael Nadol	Managing Director	\$ 475.00	5	\$ 2,375.00	research and analysis
Customer Invoice: 109400	Promesa Title III	20200303	Michael Nadol	Managing Director	\$ 475.00	2.5	\$ 1,187.50	research and analysis
Customer Invoice: 110610	Promesa Title III	20200517	Michael Nadol	Managing Director	\$ 475.00	2	\$ 950.00	developing report
Customer Invoice: 110610	Promesa Title III	20200518	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	developing report
Customer Invoice: 110610	Promesa Title III	20200520	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	developing report
Customer Invoice: 110610	Promesa Title III	20200521	Michael Nadol	Managing Director	\$ 475.00	1.5	\$ 712.50	developing report
Customer Invoice: 110610	Promesa Title III	20200523	Michael Nadol	Managing Director	\$ 475.00	1.5	\$ 712.50	developing report
Customer Invoice: 110610	Promesa Title III	20200524	Michael Nadol	Managing Director	\$ 475.00	1	\$ 475.00	developing report
Customer Invoice: 110610	Promesa Title III	20200525	Michael Nadol	Managing Director	\$ 475.00	1.5	\$ 712.50	developing report
Customer Invoice: 110610	Promesa Title III	20200526	Michael Nadol	Managing Director	\$ 475.00	3	\$ 1,425.00	developing report
Customer Invoice: 110610	Promesa Title III	20200527	Michael Nadol	Managing Director	\$ 475.00	3.5	\$ 1,662.50	developing report
Customer Invoice: 110610	Promesa Title III	20200528	Michael Nadol	Managing Director	\$ 475.00	0.5	\$ 237.50	developing report
Customer Invoice: 110610	Promesa Title III	20200529	Michael Nadol	Managing Director	\$ 475.00	1.5	\$ 712.50	developing report

**EXHIBIT 2**

**Certification of Michael Nadol**

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**CERTIFICATION OF MICHAEL NADOL**

I, Michael Nadol, hereby certify:

1. I am a consultant to Proskauer Rose LLP, as counsel to the Financial Oversight and Management Board for Puerto Rico, as representative of the Debtors in these Title III cases, and submit this certification in support of this second interim fee application.

2. Pursuant to Local Rule 2016-1, I certify that:

(a) I have read the application;

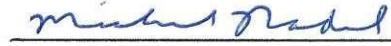
(b) to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought therein conform with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the United States Trustee Guidelines, and the Local Rules; and

(c) the compensation and disbursements sought are billed at rates no less favorable than those customarily employed by me and PFM Group Consulting LLC for similar services.

3. Pursuant to Rule 2016(a), no agreement or understanding exists between me and any other person for sharing compensation to be received in connection with this engagement, except as authorized by the Bankruptcy Code or Rules.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on July 15, 2020.

A handwritten signature in blue ink, appearing to read "Michael Nadol", is written over a horizontal line.

Michael Nadol  
*Consultant to Proskauer Rose  
LLP, as counsel to the Financial  
Oversight and Management Board  
for Puerto Rico*